MT and that of glazed newsprint by Rs. 10,410/- per MT. These increases in the prices of newsprint were proposed by STC in the wake of effects of the exchange rate adjustment particularly on the accumulated past liabilities in foreign exchange. The newspaper industry was not prepared to bear the burden. This had led to an impasse while big newspapers claimed that this increase would lead to sharp increase in the prices of newspapers and their advertisement tariff, many small and medium newspapers apprehended closure.

2. A number of consultations were held between the Government, the S.T.C and the Newspaper Industry over the past two weeks. After several rounds of such consultations and dialogue, the matter has been resolved at the Newsprint Price Fixation Advisory Committee meeting held on 16th August, 1991 on mutually agreed cost-sharing basis between the Industry and the S.T.C. We are grateful to our Prime Minister for sparing valuable time to resolve this impasse. While the prices of imported standard newsprint will continue to be Rs. 16,000/- per MT, and that of glazed newsprint Rs. 23,000/- per MT, the newspaper establishments will pay an additional amount of Rs. 800/- per MT on standard newsprint and Rs. 2,300/- per MT on glazed newsprint as a one time surcharge. This will be recovered on a total quantity of 2,50,000 Tonnes of standard newsprint and 40,000 Tonnes of glazed newsprint.

3. Government are committed to the healthy growth of the press. It is on account of this commitment that newsprint has been considered as an essential commodity and the gap between the domestic production and total requirements is met through imports. While the indigenous production has remained static at the level of about 2.8 lakh Tonnes per year, the demand for newsprint has been going up. The country is now importing 40% to 45% of the total newsprint requirements. While efforts have to be made for encouraging the installation of additional capacities for the production of indigenous newsprint, all users will have to apply themselves to conserve this scarce commodity and try to optimise its utilisation. Government have received demands from some sections of the Press, more particularly, the big newspapers for the decanalisation of newsprint import. While the Government would not stand in the way of decanalisation, our response to this demand will necessarily be conditioned by our overriding concern for the interests of the Small and Medium Newspapers, which cannot individually organise the import of newsprint.

4. Government have already set up a Committee to recommend new rate structure for Government advertisements. In the meanwhile, keeping in view the recent hike in the newsprint prices, Government have decided to increase the rates of Government advertisements by 18% as an interim measure. It will be effective from 1st August, 1991.

[Placed in Library. See No. LT 421191]

13.44 hrs

Announcement Re: Nomination of a Member to the Panel of Chairmen

[English]

MR. DEPUTY SPEAKER: Now I have to inform the House that under Rule 9 of the Rules of Procedure and Conduct of Business in Lok Sabha, the Hon. Speaker has nominated Shri Ram Naik as a Member of the Panel of Chairmen.

Now we shall take up matters under Rule 377.

13.45 hrs

MATTERS UNDER RULE 377

(i) Need to set up Agro-beased Industries in Mohindergarh District, Haryana and also to earmark funds for expolration of minerals in the region

[English]

RAO RAM SINGH (Mohindergarh): It has been the policy of the Government to bring about uniform development throughout the country and to give preference and priority to the backward and undeveloped areas. In pursuance of

this policy, the 'No industry District' Scheme was formulated. Numerous facilities, concessions and relaxations were announced under the scheme.

Mohindergarh district of Haryana is rich in minerals. The Khetri Copper Project in the neighbouring district of Rajasthan gives ample proof of this fact. But, not a single industry has been set up in this district. The area has remained backward and undeveloped ever since independence.

It is requested that the Central Government should earmark funds and provide facilities for exploration of minerals in this district. And the Central Government may also consider the feasibility of setting up agro-based industries in this area which is rich in the production of barley, mustard and guaar.

(ii) Need for maintaining proper record of Printing Ink used by Bank Note Press, Dewas (Madhya Pradesh)

[Translation]

SHRI PHOOL CHAND VERMA (Shajapur): Mr. Deputy Speaker, Sir, as physical verification of the stock of printing ink used in the printing of currency notes in Bank Note Press, Dewas (Madhya Pradesh) has not been undertaken to this date, a serious danger has been casued from the security point of view. A team of officers from the Ministers of Home Affairs and Finance who went there to verify the stock have expressed an apprehension that ink worth lakhs of rupees has been sold in the market. This printing ink is imported from abroad and is also prepared in the Bank Note Press, Dewas.

No record has been maintained regarding the quantity of printing ink used and the balance of stock with the Bank Note Press (Dewas). Such a record is essential from security point of view. A number of irregularities have been taking place in the Bank Note Press, Dewas and missing of printed currency notes is a routine matter there. I, therefore, urge the Central Government that inquiry should be ordered in the printing ink Scandal immediately and necessary action taken against those found guilty.

(iii) Need to create Purvanchal Pradesh comprising eighteen districts of Eastern Uttar Pradesh

SHRI HARI KEWAL PRASAD (Salempur): Land in Eastern Uttar Pradesh is fertile and rich in natural wealth. Besides, it has an adequate labour force, yet the area is lagging behind in development as schemes for industrialization, communications development of agriculture and rural areas have not been undertaken there. The position today is that rural youth are migrating to cities as a result of which agricultural operations have also been adversely affected. I demand in this august House that "Purvanchal Pradesh" should be created by merging 18 districts of eastern Uttar Pradesh in order to facilitate rapid development of the area.

(iv) Need to direct National Airport Authority to go ahead with its Plan for expansion of run-way etc. of Bhubaneswar Airport, Orissa

SHRI SIVAJI PATNAIK (Bhubaneswar): The master plan for the Bhubaneswar Airport was prepared by the National Airport Authority for expansion of run-way, construction of the new terminal building. etc. with a view to develop tourism in Orissa. Decisions for acquisition of land for the expansion was also taken in consultation with Orissa Government and accordingly private lands were acquired for the purpose. In fact, the National Airport Authority has paid Rs. 25 lakhs out of the total acquisition cost of Rs. 62 lakhs.

But the National Airport Authority has gone back unilaterally on its commitment for the expansion at the airport and has asked the State Government for refund of the money they paid for acquisition. Such decisions of the National Airport Authority apart from putting the State Government in an embarrasssing position will retard the process of development of tourism.

I would therefore urge the Union Government to prevail upon the National Airport Authority to go ahead with the